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SOMALIA ON THE HORN

A Counterpoint of Problems Confronting One of Africa's New Nations

by E. A. Bayne

Part II: The Economy

March 4, 1960

The inhabitants of Somalia fulfill the Oxford Dictionary definition of a nation: they are a "distinct race or people, having common descent, language, history, or political institutions." But the Somalia that will attain independence on the first of July 1960 will not be able to proclaim all Somalis free of foreign rule, for the people of the Somali nation are spread over five political divisions of Africa, each with a different government. Of these, the largest in size of area and in population is Somalia, the territory generally known heretofore as Italian Somaliland. Modern nationalism in all its urgency first developed in Somalia during the post-World War II British military occupation of the territory which gave way to a United Nations Trusteeship to be administered for ten years by Italy whose colony it had been since the late 19th century; under the trusteeship the provisional date for Somalia independence was December 2, 1960.

Six months early, in response to a resolution of the United Nations General Assembly

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"Greater Somalia," (unshaded on map) is area of Somali traditional settlement of grazing. Top: Somali girls from the interior; Middle: Village scene with blinded camel drawing water; Right: Somalia coastal plain.

(December 18, 1959), Somalia will become another sovereign African state. Relatively, it is the most developed, both politically and economically. This is due, at least partially, to a speeded program of institution building and political concentration during the last five years of the United Nations Trusteeship under the Italians. Progress, however, must be measured both from the point of view of initial underdevelopment and the limitations of the Italian administering authorities, who come from a country which is itself in the urgent process of political and economic development.

Like most emerging African nations, Somalia enters statehood confronted with a long and tedious litany of social and economic problems which, if enthusiastically overshadowed by the adventure of independence, will not necessarily be aided in solution by the natal fragmentation of the Somali people. The irritant of having about half of its people living outside the state, with most of them being nomads, free to roam the terrain that is now sloganized as "Greater Somalia," is as classic as the irredentist problems that have plagued European history, and as explosive perhaps.

Somalis are an Islamic people, firm in their belief--even more so since the inclusion of many pre-Islamic animistic practices has given the faith a slightly national character--and they feel an obligatory kinship with Islamic peoples elsewhere. There are still closer ties than religion also. Somalis, of Hamitic origin, are divided into five related general clans or tribes, perhaps more accurately styled lineage groups. The tribes are known as the Dir, Hawiye, and Daarood, who are mainly nomadic people presently populating the northern regions of Somalia, and the Rehanwiin and Digil tribes who have settled long since along the river valleys of the Juba and Webbi Shebeli rivers that water the southern half of the new state. Interspersed with these Somalis there are strains of Bantu and Galla peoples who were present in a prehistoric southern Somalia that was overwhelmed by the then nomadic herdsmen who had come to stay. The Bantu, who are negroid and were a northern extension of central African peoples, and the Galla, another Hamitic group originating in central Ethiopia, have still a subservient status among Somalis, and slavery is not unknown in the territory.

Population figures are at best approximate, but generally accepted estimates place the population of Somalia at about 1.5 million, with Somali populations outside the state estimated at fewer than 80,000 in the Northern Province of Kenya, about 30,000 in French Somaliland, 640,000 in British Somaliland, and as many as 600,000 in the Ogaden, or Harar Province of Ethiopia. In all, a nation of less than three million occupying a total territory of about 330,000 square miles, of which Somalia itself contains 220,000 square miles.

Somalia is a poorly endowed country. Except along the two rivers, the long sandy plain that skirts the Indian Ocean for nearly a thousand miles and then turns to form, with British Somaliland, the southern littoral of the

Gulf of Aden, is arid and windblown, adorned only with scrub growth. The interior, sometimes called "orchard bush" because of the twisted and eerie acacia trees that abound, is a parched grassland relieved by infrequent water holes, the possession of which is a perennial cause of tribal wars. It is a country where wild game can rival the native's command, with lions, giraffes, hippopotami, antelope--in short, the African zoo. Somalia is rugged but like much of Africa, it will bloom under irrigation; for the moment statisticians estimate that about 11 per cent of the land is arable, the remainder suitable only for nomadic pasturing.

By obvious category, Somalia is an agricultural country--subsistence agriculture for the most part with a per-capita income level of less than $50 per year, a dubious estimate. Its principal exports are bananas, hides and skins, oil seeds, and sugar. It is unique in being the world's main source of frankincense, an ancient commodity for ecclesiastical use that comes from trees in the northern part of the territory.

The country has been surveyed for mineral deposits at various times during the last 30 years and has shown little promise. Commercial phosphates may exist, salt fields have been operated but Somalia is distant from major markets. At the moment, three oil companies are hopefully drilling in the northern reaches of Somalia (two American and the Italian national oil agency), but at least one American geologist to whom I put the question expressed little hope of success, and responded to my query by admitting that the United States Internal Revenue Code, permitting tax writeoffs for speculative adventures, was more the reason for his presence than the promise of petroleum. The possibility of finding oil in new countries is almost a religious hope of national redemption, and the search will be encouraged by the Somalis without doubt indefinitely.

Certain laws of economic development would seem thus to apply to Somalia. As an agricultural country (albeit on a subsistence basis at low level), but with a trend toward urbanization that already presages serious political problems (the urban population of Somalia has virtually doubled in the past 15 years, and approaches 12 per cent of the population), the cost of urban absorption must be borne by agriculture. One Italian economist, speaking at a congress held in Mogadiscio for the opening of a new university center, estimated that settlement of Somalis represented an investment, over-all, of about $1,600 per capita. Assuming that the settlement, urbanized or rural, of the present 40-45 per cent of the Somalia population who are nomadic is a desirable objective, the investment costs confronting the new nation are formidable. Moreover, these costs must initially be met by agriculture--or credits based upon the increased productivity of farming and stock-raising.

The economic skeleton with which Somalia begins its independent existence is extremely fragile. It has about 450 miles of paved road, about 1,250 miles of passable graveled roads,and about 3,500 miles of bush track. The

paved roads are battered relics of military campaigns undertaken in 1937 against Ethiopia, or repairs and extensions of military roads built during the British occupation of the territory. Somalia has no railway, although before the war there had been a narrow-guage line running from Mogadiscio to a sugar plantation on the Webbi Shebeli about 80 miles in the interior. It was a casualty of war. A telegraph system, and lately a wireless net connects the long stretches between centers in the north and south. Two seaports exist, at Mogadiscio and at Chisimaio in the south, where most of Somalia's bananas are shipped, but at neither port can ships lie alongside; they must stay in an open roadstead. There are plans to modernize the port of Chisimaio, including storage facilities for bananas. Three years ago the first oil-storage tanks were installed with an off-shore loading facility at Mogadiscio. An international airport exists at Mogadiscio, and smaller strips have been expanded at various points throughout the country. While in all these sectors, there has been some investment during the past five years particularly, the underdeveloped character of the country is immediately apparent.

When the Italians resumed responsibility for Somalia in 1950, a seven-year development scheme was undertaken that is now estimated to be at least 90 per cent complete. In the period from 1950 to 1958, the total developmental expenditure on public account was the equivalent of about $20 million, while during the same period private investment totaled the equivalent of about $14 million, including both industry and agriculture. In addition to these figures, the developmental expenditures of the foreign oil companies should be added, which came to about $11 million, of which the American contribution was more than 75 per cent.[1]

These totals do not include the expenditure for technical assistance and developmental aid contributed by the United States during a period beginning in 1954. Grant aid has totaled $2.8 million plus a $2 million line of credit from the Development Loan Fund designed to assist the growth of small industry in Somalia. Since much of the United States investment and technical assistance has been directed at land reclamation (one project will double the amount of irrigated land in the country, from 25,000 hectares to 53,000 hectares), expansion of agricultural productivity through the spread of technical information to farmers, well drilling and similar basic rural activities, the American program seems to have been directed at the heart of the matter without, however, neglecting highway and port development and assistance to the national police.

Somalia's contact with the outside world has been extremely limited until the present decade when students were sent abroad and a few Somalis

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[1] The local currency is the Somalo, administered by an Italian Trusteeship agency stemming from the Bank of Italy. It is linked presently with the Italian lire, but equated in value with the East African shilling at a dollar value of S7.2 to the US$1.

began to engage in international trade. Italian colonial policy was based upon the minimum disturbance of native life and institutions and only those Somalis necessary to the projects and enterprise of the colonists were admitted to the more modern world of commerce and education. As a result, the infrastructure of the economy has to a large extent been imported. Arabs have had much of the petty trade, Italians, Pakistanis, and Goans most of the larger and more important domestic and foreign commerce. The banana trade, from the organization of riverside plantations to overseas shipment, has been almost a total Italian business, as has been the plantation growing of sugar.

In recent years, a few brave Somalis have undertaken to compete with the foreigners in both domestic and foreign commerce. In 1950, for example, there were about 7,000 individual commercial firms, while in 1958 there were more than 9,000. In the same period, perhaps unhappily, there was a decline in the total number of craft establishments which was an indication of the continuing decline in the numbers of Italians in the territory, but the number of Somali craftsmen increased.

During the past decade, and particularly during the past two years, there has been a notable improvement in the Somalia balance of trade, and in 1959 the preliminary figures indicate that there was a balance at a value level of the equivalent of $13.5 million. Because of extraordinary developmental expenditures, the cost of the Italian Trusteeship itself and continuing budgetary deficits of the government, the balance of payments would likely show a deficit of more than $5 million made up by unilateral transfers by the United States and Italy. Somalia's exports are chiefly raw materials, and bananas make up more than half of the value of exports, while necessary imports are heavily in petroleum, cotton goods, and some food items.

The balance of payments is a classic for a small underdeveloped country. So also is the government budget, with its revenues coming chiefly from indirect taxation and customs returns (72 per cent), while direct taxation yields only about 13 per cent. The current fiscal year's budget is the equivalent (and does not include the costs of the Italian Trusteeship officials) of about $12 million, the heaviest expenses being the cost of civil servants (about 22 per cent) and the police force (about 25 per cent). Educational costs are about $1 million.

Fortunately, perhaps, much of Somalia's educational costs are being met from outside the country: the Egyptians, for example, have been supplying teachers; there are three American missionary centers; UNESCO operates several literacy schools. Over-all, there has been an increase in recent years of schooling. There are now more than 130 elementary schools while before the war there were barely two dozen; there are now more than 20 vocational schools in the larger centers. Illiteracy is still generally assumed to be more than 90 per cent, but there is a program of teacher training under way, and a leadership group, composed of those who have passed through the new univer-

sity center in Mogadiscio, is now studying abroad. At the moment, there are 28 Somalis in the United States, 16 in Ethiopia (studying at a United States-sponsored agricultural school), 10 in England, 150 in Egypt, and 125 in Italy, and the previously mentioned 15 students in Russia--all of whom are at the university level and will return eventually to take their places in the newly independent bureaucracy, or in the economy. Certain gaps in technical capacity will be apparent for a long time, however. There are at present no Somali doctors, but three students are taking a medical course in Italy. Until this number is greatly increased, Somalia will have to depend upon foreign medical assistance (chiefly Italian likely, as all observers seem to be agreed that the Italian medical service has been the most praiseworthy Italian contribution of the Trusteeship period).

The medical example illustrates the necessity for the importation of technical skills in engineering, agriculture, transport, and the whole register of maintenance crafts which a developing nation requires to give its statehood physical meaning. The Italians have already volunteered to supply at least 250 technicians for an indefinite period after independence, the United States already has had more than 40 technicians at work in Somalia, the specialized agencies of the United Nations are supplying scores of technicians, and the UN itself is presently developing a program of top governmental advisers (known as OPECS, or Operational Executives) who may act as Somali executives at strategic points without becoming citizens of Somalia.[2] For example, they will act as budget directors, health chiefs, etc.

It would appear at this stage that Somalia will have a broad availability of technical assistance to help it on its progress to modernity. The Somali officials whose opinions I solicited made impeccable responses to this necessary largess from the developed world, but for me at least, these responses had an unrealistic ring. Every Somali politician is aware of the need for new skills, but in a sense, this is not at issue now. Survival as a Somali politician is the issue--a struggle that fits into another time equation. While Somalis do not appear to me to be as filled with that frenetic nationalism that marks the aroused Persian, for example, he has a genuine sense of dignity about his nation, his independence, and his future. Economic development, the best utilization of imported skills and equipment, the finer points of sound public administration and statesmanship for the future, perhaps, seem realistically to be less urgent than the establishment of political stability--a stability that must, now, be based more upon traditional formulas and not upon the hoped-for new world of literacy and industrial competence. The government that must survive by bald political management of an illiterate, nomadic in large part, still-tribalized people must

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[2] Most Somali officials to whom I talked concerning the desirability of this formula were opposed to it and preferred to have Somali executives with personal foreign advisers. The principle of needed advice is not denied but colonialism is too close by to grant executive responsibility to foreigners, and necessarily Europeans.

necessarily be preoccupied with its day-by-day struggle. The vision and good will of the foreign technician will frequently and exasperatingly be remote from these exigencies.

This is not to be hopeless about the future development of Somalia along sound, if limited, economic lines but it is to register what seems obvious: that patience and caution are necessary. Somalia, like many other African and Asian nations, may find independence not the last step in maturity but the first. Take, for example, the reality of the state's budget. It is perennially in deficit even under the beneficent guidance of a United Nations Trusteeship under which Italy (not counting American contributions to development) has remitted about $5.6 million to meet the costs of government each year, in various forms. This presents an immediate problem as Italy has not undertaken to continue this contribution in full. The United States, and to a lesser extent Britain, will be expected to meet this deficit. Moreover, the deficit itself is presently unmeasurable since an independent Somalia must undertake new costs: for a foreign office, for example, which will necessitate the establishment of embassies in New York, Washington, London, Rome, and Paris (and likely Moscow), not to mention representation with countries in the region such as Egypt, Ethiopia, and new countries of Africa. Foreign representation is expensive even if the Italians agree to continue representing Somalia in consular affairs. The Prime Minister of Somalia has indicated his interest in establishing a new military force "not to exceed 5,000 men at first." An army, even at Somali wages, of this dimension would represent at least $5 million a year not including establishment and weapons costs much of which might, as seems to be the habit, be met by the United States. There is, lastly, and perhaps least important in amount, the real costs of political patronage that cannot be avoided even in the most advanced democratic countries, and has not been entirely avoided in a Somalia where the ultimate political responsibility has rested in the hands of a presumably impartial Trust authority. These are not economic costs, in the pure sense of the word, but they are part of the costs of independence.

The United States, Britain, and Italy are not the only powers interested in the Horn of Africa. Somalia is entering the big arena of world politics. If it takes offense at too onerous counsel by these Western powers, however generous they may be, it may seek an alternative in the potential assistance an interested and competitive Eastern bloc could profer.

The pace of economic development in Somalia may thus be estimated less by the potentialities of the state and its people than by the less measurable progress of its political development. This also has its significant fragility.

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[Photos: Fotocine, Mogadiscio, and E. A. Bayne.]